EXECUTIVE OFFICE OF THE PRESIDENT THE UNITED STATES TRADE REPRESENTATIVE

WASHINGTON, D.C. 20508

The Honorable Shara Aranoff Chairman United States International Trade Commission 500 E Street, S.W. Washington, D.C. 20436 Office of the Secretary Int'l Trade Commission

DEC 3 0 2009

Dear Chairman Aranoff:

The Trade Policy Staff Committee (TPSC) has recently decided and will announce in the *Federal Register* the acceptance of a petition to grant a waiver of the competitive need limitation ("CNL") for a specific product under the Generalized System of Preferences ("GSP") program. Pursuant to section 503(c)(2) of the Trade Act of 1974, if import levels of a GSP article from a beneficiary country exceed certain thresholds, or CNLs, in a calendar year, the President must terminate GSP benefits for that article from that beneficiary country. However, the President can waive the CNLs for particular articles if he receives the advice of the International Trade Commission ("Commission") on whether the waiver will adversely affect any domestic industry, determines that the waiver is in the national economic interest, and publishes the determination in the Federal Register. Any modification to the GSP program that may result from this review will be announced in the spring of 2010 and become effective in the summer of 2010.

Accordingly, I request that, under the authority delegated by the President, pursuant to section 332(g) of the Tariff Act of 1930 and in accordance with section 503(d)(1)(A) of the 1974 Act, the Commission provide advice on whether any industry in the United States is likely to be adversely affected by a waiver of the CNL specified in section 503(c)(2)(A) of the 1974 Act for the country specified with respect to the article in the enclosed Annex. I also request that the Commission provide advice as to the probable economic effect on U.S. industries producing like or directly competitive articles, on total U.S. imports, as well as on consumers. Also, please provide information as to whether like or directly competitive products were being produced in the United States on January 1, 1995. With respect to the CNL in section 503(c)(2)(A)(i)(I) of the 1974 Act, the Commission is requested to use the dollar value limit of \$140,000,000.

Please provide the requested advice by no later than 90 days from receipt of this letter.

The report should be classified and marked in accordance with Section 1.6 of Executive Order 13292, as amended. With respect to the article identified in the enclosed annex, the sections of the report that analyze the probable economic effects as well as other information that would reveal aspects of the probable economic effects advice should be classified as Confidential pursuant to Section 1.4(e) of Executive Order 13292, as amended. The declassification date should be ten years from the date of your report. Background, public data, and other portions of the report that do not provide or reveal aspects of the probable economic effects advice or conclusions should not be classified. The probable economic effects advice, the probable effect model results, the non-public data used in the model and the model parameters as a whole would normally be classified Confidential. Chapters containing the positions of interested parties,

previously released public documents (e.g., the request letter and Federal Register notice), and tables containing public data (unless the selection of data on the table would reveal the probable effects advice) should be unclassified. The overall classification marked on the front and back covers of the report should be "Confidential" to conform with the confidential sections contained therein. All business confidential information contained in the report should be clearly identified.

Once the Commission's confidential report is provided to my Office, the Commission should issue, as soon as possible thereafter, a public version of the report containing only the unclassified information, with any business confidential information deleted.

The Commission's assistance in this matter is greatly appreciated.

Sincerely,

Demetrios J. Marantis

Acting

Annex

The Harmonized Tariff Schedule of the United States (HTS) subheading listed below has been accepted as a Competitive Need Limitation waiver petition for the 2009 Generalized System of Preferences (GSP) Annual Review for modification of the (GSP). The tariff nomenclature in the HTS for the subheading listed below is definitive; the product description in this list is *for informational purposes only*. The description below is not intended to delimit in any way the scope of the subheading. The HTS may be viewed on http://www.usitc.gov/tata/index.htm.

<u>Petition for granting of a waiver of a Competitive Need Limitation for a product on the list of eligible products for the Generalized System of Preferences</u>

Case No.	HTS Subheading	Brief Description	Petitioner
USTR- 2009- 08	4011.10.10 (Thailand)	New pneumatic radial tires, of rubber, of a kind used on motor cars (including station wagons and racing cars)	Bridgestone Americas Tire Operations, Yokohama Tire Corporation, Sumitomo Tire (Thailand) Company, Falken Tire Corporation